

May 3, 2013

Senator Andres Ayala
Representative Selim G. Noujaim
Legislative Regulation Review Committee
State Capitol, Room 011
Hartford, CT 06106

Re: Permit-by-Rule to Limit Air Emissions from Combined Heat-and-Power Systems

Dear Senator Ayala and Representative Noujaim:

Pursuant to section 4-170 of the Connecticut General Statutes, I submit for your consideration and approval a permit-by-rule for certain combined heat-and-power systems. Since 2002, the Bureau of Air Management of the Department of Energy and Environmental Protection (DEEP) has used permits-by-rule, in lieu of the requirement to obtain an individual permit, for categories of sources for which we may develop standardized permit conditions that limit actual pollutant emissions to levels protective of public health and air quality. The use of permits-by-rule has reduced workload, reduced permitting timeframes and provided a fair and consistent basis for source operations.

This particular permit-by-rule applies to combined heat-and-power systems with a capacity of less than 10MW. Combined heat-and-power systems, also known as cogeneration, generate electricity and useful thermal energy in a single, integrated system. The result is a more efficient use of conventional generation technologies such as engines and turbines. Several Connecticut businesses have been in touch with us to let us know that combined heat-and-power system projects are being delayed so that these projects might be constructed and operated under this permit-by-rule.

If there are any general questions regarding this submission, please contact Robert LaFrance, DEEP's Legislative Liaison, at 860-424-3401 (office) or 860-622-1797 (cell). If you have any substantive or rule drafting questions, please contact Merrily A. Gere of the Bureau of Air Management at 860-424-3416. Thank you for your assistance with this matter.

Sincerely,

/s/Daniel C. Esty
Commissioner

cc: Robert LaFrance, DEEP